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U.S. Is Said to Develop Oman As Its Major Ally in the Gulf

The following article is based on reporting by Jeff Gerth and Judith Miller and was written by Miss Miller.

CAIRO, March 24 — In the six years since the Iranian revolution, the strategically placed and isolated nation of Oman has emerged as Washington's most reliable ally in the Persian Gulf, according to Western, Omani and other Arab officials.

This development, the officials said, has resulted largely from the influence of about 20 American, British and Arab advisers to the country's reclusive and absolute ruler, Sultan Qabus bin Said.

The advisers, many of whom have intelligence backgrounds, have helped shape Oman's domestic and foreign policies — often to the benefit of their own country's interests, the officials said.

The advisers have encouraged Sultan Qabus to give Western strategists access to Omani installations that other

Arab nations, including Saudi Arabia and Egypt, have been unwilling to provide, the officials said. As a result, they said, Oman has become a base for Western intelligence operations, military maneuvers and logistical preparations for any defense of the oil-producing Persian Gulf.

On Thursday the Reagan Administration engaged in a rare public discussion of Oman's growing strategic value to the United States. In testimony before a Congressional subcommittee, Maj. Gen. David Watts, director of Logistics and Security Assistance for the Central Command, said the United States had nearly finished building and modernizing sites in Oman and two African nations — Somalia and Kenya — for use by a rapid deployment force in

the event of a crisis in the Gulf.

The new installations would "support tactical air operations, MAC operations and pre-positioning of air force war readiness material assets," the Army general said. MAC stands for Military Airlift Command.

American and other Western and Arab officials discussed developments in Oman in interviews in Washington as well as in Britain and various Middle Eastern countries, including Oman.

Among those interviewed in Oman during an eight-day visit there late last year were some of the foreign advisers to the Sultan, although several declined to speak on the record. The Sultan declined a request for an interview.

The location of Oman, the second largest and least densely populated country in the Persian Gulf, dictates its strategic value to the West: It controls the 24-mile wide Strait of Hormuz, through which a significant amount of the West's oil flows, though the amount has lessened in recent years.

Oman agreed to the relationship with the United States for a variety of reasons, Omani officials said. Many Omanis, they said, favored a relationship with the United States to reduce British influence in the country.

Britain Exercised Major Role in Past

Modern Oman, they said, is in large part a creation of the British, the first to sense its strategic potential.

The British helped the Sultan overthrow his father in a coup in 1970, according to some officials involved in its planning, although the report has been denied by the British Government. In the mid-1970's, the Sultan had British assistance in quelling an insurgency, backed by Southern Yemen, in the southern province of Dhofar.

In addition, Omani officials said, Oman has been more concerned with what it sees as the Soviet threat to the Persian Gulf and the Indian Ocean than with the Arab-Israeli conflict.

The perception, Omani officials said, has spurred them to seek foreign military support, as has Ayatollah Ruhollah Khomeini's stated intention to export his Islamic revolution from Iran to other countries in the region.

Since the Iranian revolution in 1979, some advisers to the Sultan said, both Britain and the United States have tried to assume a low profile in Oman — to avoid, they said, creating the kind of foreign presence in Oman that ultimately proved so destabilizing in Iran.

Several advisers to the Sultan noted that the two countries are very different. Many Omanis, they said, have benefited from the development of the country under foreign tutelage, and most are members of a small Moslem sect called Ibadhi that lacks the politi-

cally radical tradition of Shiism, the sect of Islam dominant in Iran.

Agreement Gives U.S. Military Staging Points

Although the British were instrumental in opening the country to Western influence and modernization in the 1970's, Oman's isolation in the last five years has been actively encouraged by the advisers, Omani officials and some of the Western advisers said. The British and American advisers said they believed that Oman's inaccessibility facilitated United States and British intelligence and military plans in the country.

Under an agreement with the United States, Oman provides staging points for the United States at military installations at Masira Island, Sib and Thumrait, and on the Masandam Peninsula near the Strait of Hormuz, Western officials said. The installations, they said, could be critical to any defense of the Gulf.

Because only the strait separates it from Iran, the Masandam Peninsula has provided a useful listening post for monitoring the Ayatollah's revolutionary Government, according to western and Arab intelligence sources interviewed in Washington and the Middle East.

The United States used Oman to stage the unsuccessful mission to rescue the American hostages in Iran in 1980. Last December, according to Western and Arab officials in Washington and the Middle East, the United States had a team of commandos secretly positioned in Oman to monitor the situation during the hijacking of a Kuwaiti plane to Teheran in which two Americans were killed. The Omanis have denied the reports.

"Oman has become what we had hoped Egypt might be," a senior American military official said recently.

"We could never secure the kinds of access in Saudi Arabia that we have negotiated in Oman," a State Department official said.

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U.S. Provides Aid And Security Vow

The foundation of the American-Omani relationship is an agreement signed in June 1980 — after the fall of the Shah of Iran and the Soviet intervention in Afghanistan — that provides the United States with access to Omani installations in exchange for a security commitment from Washington and at least \$260 million over five years to modernize Oman's four military bases, according to American officials in Washington and the Middle East. Parts of the agreement are still classified.

So far, the Army Corps of Engineers has spent \$250 million modernizing bases at Masira Island, Sib, Thumrait and Khasab on Masandam, General Watts said. The general and Army Corps officials said the project would be completed, and the two dozen or so Army Corps personnel out of Oman, by the fall of 1986.

General Watts and other American and Omani officials said that during the last year Oman has permitted American P-3 antisubmarine reconnaissance planes to operate out of Masira. American officials said some P-3's have also operated from Sib.

Also from Masira, the small American Mideast naval fleet and the larger Indian Ocean naval contingent are resupplied, General Watts and other officials said.

In addition, joint military exercises have been held, under the code names Bright Star, Jade Tiger and Beacon Flash. The agreement provides the battle group with emergency landing rights and the pre-positioning of military equipment, including fuel and spare parts, at American-financed Omani storage facilities at the bases, American officials said.

Accord Is Debated In Oman and U.S.

The agreement has started a debate in Oman as well as among State and Defense Department officials in Washington. In interviews, senior Omani officials stressed that the installations could not be used against an Iranian threat to the Gulf or its shipping lanes, but only in the face of a direct Soviet threat to Oman.

The vast majority of officials and diplomats who support the United States-Omani relationship assert that Oman is a priceless staging area whose usefulness has already been proved. They argue that the current situation serves United States interests well.

Oman, they said, has become what one Western official called an "invaluable" link in the logistical chain that supplies military equipment to Afghan rebels.

Omani and Western officials interviewed in Muscat denied that Omani airstrips were being used to ship arms or supplies to Afghan guerrillas. They also denied other reported activities in Oman by British and American intelligence agencies.

A minority of American officials in both the State and Defense Departments, as well as United States diplomats in the Middle East, have questioned whether the large investment was worth the military use permitted by the agreement.

Some Western officials and diplomats who are critical of the relationship have argued that Saudi Arabia and other Gulf countries including Kuwait, which favors a more independent foreign policy stance by Gulf states, would eventually press Oman into ending its military arrangements with the West.

Under Sultan Qabus, Oman has long been the political maverick of the region. It was the only Gulf nation to endorse the Camp David peace accords between Egypt and Israel and to refuse to sever diplomatic ties with Cairo after the peace treaty was signed in 1979.

To survive, according to these sources, Oman must be seen in the rest of the Gulf not as a Western surrogate and military staging ground but as an independent nation that has chosen to ally itself with the West out of self-interest rather than need.

For his part, the 44-year-old Sultan is

described by Omani and Western advisers as an increasingly reclusive monarch who exercises absolute power. Omani and Western advisers said he spent very little time last year in Muscat, the capital, and had administered the country largely through his foreign advisers from the palace in Salala in southern Oman.

Many Omanis Reported To Resent Advisers

There are indications that many Omanis, especially among the younger, more-educated generation, have come to resent the influence wielded by the Sultan's advisers.

The resentment has strengthened the determination of some to "Omanize" the country, placing Omanis in the jobs foreigners now hold, according to some Omani and Western residents of Oman. These critics say they are concerned by the increasing percentage of Oman's national budget that is being spent on the military as well as by what they view as excessive foreign influence.

The growing frustration of some, Western and Omani officials said, could jeopardize Oman's friendship with the West and eventually the stability of the country whose security a 1981 report by the House Foreign Affairs Committee called "essential to the United States and to the West."

Parts of the report have been made public, while other sections have been deleted on security grounds. According to unclassified sections, the country's long-term stability could be threatened by "the future absence of increased opportunities for political participation for a population which is increasingly well educated" and "the lack of an heir to succeed Sultan Qabus," who is not married.

In addition, according to the public portions of the document, "poor income distribution" and "allegations of corruption" are two "negative factors" that, if they worsen, could destabilize the sultanate.

According to Western diplomats in the Middle East, concern that widespread corruption in Oman threatened the country's stability was voiced in the early 1980's by the United States and British Ambassadors to Oman at the time — Marshall Wiley and Ivor Lucas, respectively.

In recent years, several Omani officials who tried to stop what they viewed as corruption and the distortion of Oman's development plans were dismissed or transferred to less influential positions, Omani, Arab and Western officials said.

Briton Documented Corrupt Dealings

One of the most sensitive examples cited by Omani officials was that of John Ault, a former British adviser to the Sultan who was chief of the Omani Research Department, the country's intelligence agency.

In 1981 Mr. Ault persuaded the Sultan that corruption threatened the Government, according to Western officials who were in Oman at the time. Using wiretaps and electronic surveillance, he documented widespread corrupt dealings, many involving another foreign adviser to the Sultan who was serving as chief of police and head of customs, the officials said.

According to both Western and Omani officials, more influential British and Arab advisers persuaded the Sultan to take milder action against the police chief and his associates than suggested by Mr. Ault, who did not respond to requests for an interview directed to his residence in Hong Kong. The police chief left his post, the officials said, but was permitted to retain control of the police pension fund.

Omani and Western officials said a senior Omani official, Col. Salim bin Abdullah al-Ghazali, the Under Secretary of Defense in 1981, was ousted from his post after he challenged the purchase of British military equipment for his army, arguing that it would slow down the "Omanization" program. Colonel Ghazali, who is now Minister of Commerce and Industry, declined to discuss the episode or other military matters in an interview.

Meanwhile, Oman's relations with Britain remain strong, Western and Omani officials said. About 1,000 British military personnel serve on contract or have been sent on special assignment to Oman to serve in key military positions.

According to a list of major military projects in Oman last year prepared by the United States Embassy, British companies were selected either as consultants, architects or contractors for all but two of 11 major projects that were valued at \$635 million.